

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-1(b)

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Attorneys for Debtors and Debtors in Possession

In re:

BLOCKFI INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 22-19361 (MBK)

(Jointly Administered)

Hearing Date and Time:


August 17, 2023 at 11:00 a.m. (ET)

**ORDER GRANTING DEBTORS' FOURTH OMNIBUS OBJECTION TO
CERTAIN CLAIMS (duplicates, books and records, debtor not liable) AND
DENYING GERRO'S CROSS-MOTION TO ESTIMATE**

The relief set forth on the following pages, numbered two (2) through five (5) and Schedule

1 is **ORDERED**.

8/30/23


MICHAEL B. KAPLAN USBJ

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 100 Horizon Center Blvd., 1st and 2nd Floors, Hamilton, NJ 08691.

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Upon consideration of the *Debtors' Fourth Omnibus Objection to Certain Claims* (the "Objection")¹ and the *Response of George J. Gerro to Debtors' Fourth Omnibus Objection to Certain Claim and Cross-Motion for an Order Temporarily Allowing Claim No. 12386 Pursuant to F.R.B.P. Rule 3018(a) for the Sole Purpose of Voting on a Chapter 11 Plan* (the "Cross-Motion"); and the Court having jurisdiction to consider the Objection and Cross-Motion and the relief requested therein pursuant to 28 U.S.C. § 157 and Standing Order 12-1 (Simandle, C.J.), *Standing Order of Reference to the Bankruptcy Court Under Title 11*, dated September 18, 2012; and consideration of the Objection and the Cross-Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Objection having been provided; and it appearing that no other or further notice need be provided; and it appearing that no other or further notice of the Objection need be provided; and all responses, if any, to the Objection having been withdrawn, resolved, or overruled; and the Court having found and determined that the relief sought in the Objection is in the best interests of the Debtors, their respective estates and creditors, and all parties-in-interest; and the Court having determined that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; and upon the Certification of Mark A. Renzi attached to the Objection; and the Court having held a hearing to consider the relief requested in the Objection; and upon the record of the Hearing; the record herein, and all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefore,

for the reasons set forth in the opinion docketed at Dkt #1420

MBK

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Objection.

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IT IS HEREBY ORDERED THAT:

1. The Objection is SUSTAINED as set forth herein.
2. The Cross-Motion is DENIED as moot.
3. The Disputed Claims listed on Schedule 1 attached hereto are hereby deemed disallowed in full.
4. Kroll Restructuring Administration LLC (the "Claims and Noticing Agent") is hereby authorized and directed to expunge each Disputed Claim from the claims register maintained for the Debtors' Chapter 11 Cases.
5. The Debtors are authorized to take all steps necessary or appropriate to carry out the relief granted in this Order.
6. The terms, conditions, and provisions of this Order shall be immediately effective and enforceable upon its entry.
7. Notwithstanding anything to the contrary in the Objection, this Order, or any findings announced at the hearing, nothing in the Objection, this Order, or announced at the hearing constitutes a finding under the federal securities laws as to whether crypto tokens or transactions involving crypto tokens are securities, and the right of the United States Securities and Exchange Commission to challenge transactions involving crypto tokens on any basis are expressly reserved.
8. Nothing contained in this Objection or any actions taken pursuant to any order granting the relief requested by this Objection is intended or should be construed as: (a) an admission as to the validity of any particular claim against the Debtors, (b) a waiver of the Debtors' rights to dispute any particular claim on any grounds, (c) a promise or requirement to pay any

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particular claim, (d) an implication or admission that any particular claim is of a type specified or defined in this Objection or any order granting the relief requested by this Objection, (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code, (f) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to the Objection are valid, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens. If the Court grants the relief sought herein, any transfer made pursuant to the Court's Order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

9. The objection to each Disputed Claim addressed in the Objection and as set forth on Schedule 1 attached hereto constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate order with respect to each claim that is the subject of the Objection and this Order. Any stay of this Order pending appeal by any claimants whose claims are subject to this Order shall only apply to the contested matter that involves such claimant and shall not stay the applicability and/or finality of this Order with respect to any other contested matters addressed in the Objection and this Order.

10. The requirement set forth in Local Rule 9013-1(a)(3) that any motion be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Objection or is otherwise waived.

11. This Court shall retain jurisdiction with respect to all matters arising from or related

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to the implementation, interpretation, or enforcement of this Order.

Schedule 1

Disputed Claims

Debtor: BlockFi Inc et al.
Fourth Omnibus Objection

Legend: Basis for Objection

Proof of Claim No.	Claimant Name	Date Filed	Filed Claim		Basis for Objection	Surviving Claim					Notes	Action ²
			Filed	Debtor Entity		Surviving Claim No.	Estate - Debtor Entity	Estate - Surviving Claim Amount	Wallet - Debtor Entity	Wallet Coins - Surviving Claim Amount ¹		
15248	George Gerro	3/29/2023	BlockFi Lending LLC	BlockFi Lending LLC	BR-C, NL	N/A	N/A	N/A			Claim lists both 426 BTC and a dollarized value of that same BTC	Expunge
12386	George Gerro	3/24/2023	BlockFi Lending LLC	BlockFi Lending LLC	DUP, BR-C, NL	N/A	N/A	N/A				Expunge

BR-NI Claimant is not identifiable as a customer or counterparty of BlockFi
 BR-A Inconsistent with Books and Records - Incorrect Crypto Amount, Correct Dollar Amount
 BR-B Inconsistent with Books and Records - Incorrect Dollar Amount, Correct Crypto Amount
 BR-C Inconsistent with Books and Records - Incorrect Dollar and Crypto Amount
 UL Claims fail to specify the asserted claim amount or list 'unliquidated'
 AMD Claim amended by subsequently filed proof of claim
 DUP Duplicative claim

TOU Claim includes amounts in violation of Terms of Use, including fraud or disabled account
 IC Claims are classified incorrectly or improperly
 ID Claims fail to specify the basis for claim or provide sufficient documentation
 NL Seeks recovery for amounts for which the Debtors are not liable
 NDF Non-debtor has satisfied the claim in full
 L Late filed claim after bar date
 O Other; see Notes for more information

¹ Claims that did not assert Wallet as part of their proof of claim may still have Wallet balances but may be listed as "N/A" to this particular claim.

² Claims that the Debtors are seeking to modify are subject to future objection.